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In the Supreme Court of the United States

OCTOBER TERM, 1968

No. 600

ARCHITECTURAL MODELS, INC., a California corporation,

Petitioner,

vs.

NILS C. NEKLASON and DONALD NUSBAUM doing business as SCALE MODELS UNLIMITED,

Respondents.

Petition for Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit

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Petitioner, ARCHITECTURAL MODELS, INC., prays that a writ of certiorari issue to review the judgment of the United States Court of Appeals for the Ninth Circuit entered in the above case on July 11, 1968.

OPINIONS BELOW

The unreported proceedings in the U. S. Patent Office on Petition to Make Special, and the decision of the Patent Office Board of Appeals on the Petition (Ex 2, pp 43-50 & 71-73) are reproduced in the Appendix at pages A1-A9.

The opinion of the District Court for the Northern District of California (R31-51)* is reported at 264 F. Supp. 312, 152 USPQ 724, and is reproduced in the Appendix at pages A10-A26.

The opinion of the Court of Appeals for the Ninth Circuit (R69 & 70) is unreported at the time of preparation of this Petition and is reproduced in the Appendix at pages A29 & A30.

JURISDICTION

The judgment of the Court of Appeals for the Ninth Circuit was made and entered on July 11, 1968, and a copy thereof is appended to this Petition in the Appendix at page A31. The jurisdiction of this Court is invoked under 28 USC §§ 1254 and 2101.

QUESTIONS PRESENTED

1. What is the invention which is protected by a patent; is it the invention as defined by a claim in the patent, or is it something more or less than the invention as defined by a claim?

2. Where the U.S. Patent Office has granted a patent upon the express representation that a particular machine infringes some claims of the patent, and where the patent contains claims which literally define that machine, should a court hold that the particular machine does not infringe the patent because the claims are narrower than their express terms?

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*Vols. 2 through 7 of the record are six volumes of Reporter's Transcript with pages consecutively numbered and are cited Tr followed by page number. Vol. 1 of the record is numbered separately from the other volumes and is cited R followed by page number. Exhibits are cited Ex followed by number. The Appendix is cited by A followed by page number.

3. Should this Court resolve the conflict which here exists between the Patent Office and the lower federal courts in interpreting patent claims where:

(a) the Patent Office interprets a claim literally when it negotiates the scope of a patent with the inventor, but

(b) the courts, without holding the patent invalid, hold that the claim is narrower than its literal meaning?

4. Should the range of equivalents afforded to an inventor be so narrow that a rack and pinion connection is not the equivalent of a screw connection merely because the inventor has not built a large machine with the screw connection shown in his patent?

5. To what extent does 35 USC § 112, enacted in 1952, modify the prior decisions of this Court in *Halliburton Oil Well Cementing Co. v. Walker*, 329 U.S. 1 (1946) and *Continental Paper Bag Co. v. Eastern Paper Bag Co.*, 210 U.S. 405 (1908)?

STATUTES INVOLVED

The recodification of the patent laws in 1952 provided a new provision in the last paragraph of § 112. This section reads as follows:

> "The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same, and shall set forth the best mode contemplated by the inventor of carrying out his invention.

"The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention. A claim may be written in independent or dependent form, and if in dependent form, it shall be construed to include all the limitations of the claim incorporated by reference into the dependent claim.

"An element in a claim for a combination may be expressed as a means or step for performing a specified function without the recital of structure, material, or acts in support thereof, and such claim shall be construed to cover the corresponding structure, material, or acts described in the specification and equivalents thereof." (35 USC § 112, 66 Stat. 798, as amended by 79 Stat. 261)

STATEMENT OF THE CASE

In 1960, Mrs. Johnston and Miss Green invented a machine for making topographical models and subsequently assigned the invention to the petitioner corporation which they own and operate (Ex A & Ex NN). The inventors filed a patent application to protect the machine (Ex 2). While the patent application was pending in the Patent Office, the machine was used for making topographical models in petitioner's model-making business (Ex J). Respondents were employees of petitioner during this period, and respondent Neklason was the principal user of the machine (R8, Tr 216-7).

In 1962, respondents left petitioner's employ to start their own model making business in competition with petitioner (Ex X & Ex YY). In the course of their new business, respondents built a machine for making topographical models (R25), and some time later, petitioner learned about that machine (A2).

At this point in time, petitioner's patent application was still pending in the Patent Office and petitioner attempted to speed up issuance of its patent by a procedure in the Patent Office known as a "Petition to Make Special". Under this procedure, the Patent Office will examine a patent application ahead of its normal chronological turn if the applicant makes a showing that normal Patent Office delays will prejudice the applicant's position. One of the grounds for a Petition to Make Special is the fact that a third party is already doing that which would infringe the patent which the applicant is attempting to get (A1-A9 and See: Seidman & Horwitz, *Patent Office Rules & Practice*, Mathew-Bender Company, pp. 366-369 (1967)).

When the inventors filed their Petition to Make Special they filed an affidavit of Mrs. Johnston (A2) informing the Patent Office of the existence of respondents' machine and giving the patent examiner a sketch (A4) and written description of respondents' machine. They also filed an affidavit of their patent attorney (A5), as required by the Patent Office, stating that the attorney believed that some of the claims in petitioner's application were "unquestionably infringed" by respondents' machine. At the time the Petition to Make Special was filed, the claims in the inventor's application defined their invention in a way that was also a literal definition of respondents' machine, and the language of the claims was never changed thereafter (Ex 2). This "literal infringement" is discussed below.

The Petition to Make Special was granted by the Patent Office Board of Appeals "for the reason—infringement—set forth in the prior petition and supporting affidavits." (A9)

Immediately after the Petition to Make Special was granted, the Patent Office allowed petitioner's patent application (Ex 2, p. 76). Shortly thereafter the inventors paid

the final Patent Office fee to have their patent granted (Ex 2). In doing this, the inventors gave up their right to keep their invention secret and caused their invention to be published in Letters Patent, believing that by taking the patent, they received patent protection on the invention defined by their claims (A5).

Shortly after the patent was granted, petitioner sued respondents for infringement. Jurisdiction of the District Court was based on 28 USC § 1338.

The courts below appreciated that some of petitioner's patent claims upon which the suit was based were literal definitions of respondents' machine (R36 & R41 discussed below). Notwithstanding the fact that respondents' machine met the literal meanings of the claims, the courts below held that the claims must be construed to be narrower than their literal terms and that, as so construed respondents did not infringe them. Such holdings were in direct conflict with the Patent Office holding of infringement when the Petition to Make Special was granted, and yet neither court acknowledged or attempted to rationalize the conflict between its holding and the Patent Office holding.

One of petitioner's machines is shown in Illustration 1 (Ex II). This machine includes a table, an overhead frame, and a lifting mechanism for raising and lowering the overhead frame. This lifting mechanism includes four jackscrews at the upper corners of the machine and a chain drive which operates all four jackscrews in unison. The topographical model being made on the machine is suspended upside down from the overhead frame, and a topographical map is taped onto the table. A router assembly rests on the map and has an upwardly facing cutter which cuts into the model in vertical alignment with a pointer near the map. The operator of the machine pushes the router assembly around the table keeping the pointer on one of

ILLUSTRATION I—Petitioner's Machine, Ex. II

the contour lines of the map while the cutter cuts a shelf in the overhead model with the same shape as the contour line. The lifting mechanism is adjusted to move the model for every contour line so that the shelf for each contour line is cut into the model at different level (Ex M).

Petitioner's patent (Ex M) shows two machines, one shown in Figs. 3-5 similar to the machine shown in Illustration 1, and the other shown in Illustration 2 which is a reproduction of Figs. 1 and 2 of petitioner's patent. The principal difference between these two machines lies in the structural arrangement for making the vertical adjustment between contour levels. In the machine of Illustration 2, the cutter 32 is moved up or down instead of moving the model down or up, and this adjustment is made by the screw thread connection between elements 24 and 26. Petitioner has never built the structure shown in Illustration 2 (R28). Prior to the time respondents left petitioner's employ, the machine of Illustration 2 was disclosed in petitioner's patent application and described as the preferred form of the invention (Ex M).

In both forms of petitioner's machines, the map and the model face toward each other so that the model which is made is a mirror image of the map which the operator sees. For this reason, petitioner operates its machine by placing a mirror image or reverse print map on the table (Ex M).

Respondents' machine is shown in Illustration 3 which is a reproduction of Figs. 1, 2 and 4 of a patent which respondents obtained for improvements over petitioner's machines.* This machine differs from petitioner's machine

*Neither respondents nor either of the courts below have ever contended that the issuance of respondents' improvement patent gives respondents the right to make their machine if the machine incorporates the invention of petitioner's prior patent. See: 35 USC § 154.

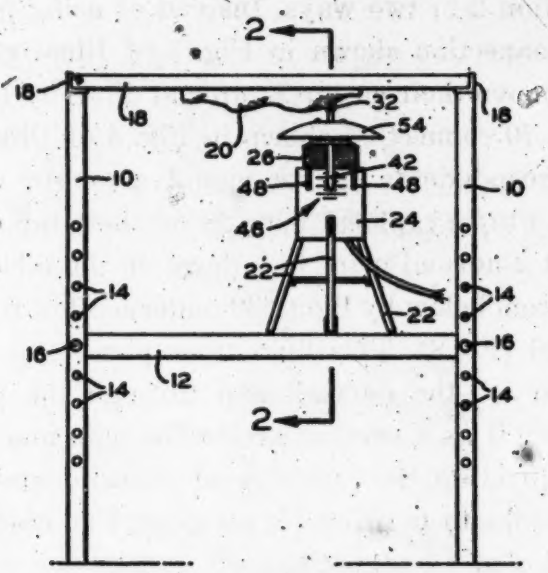

FIG. 1.

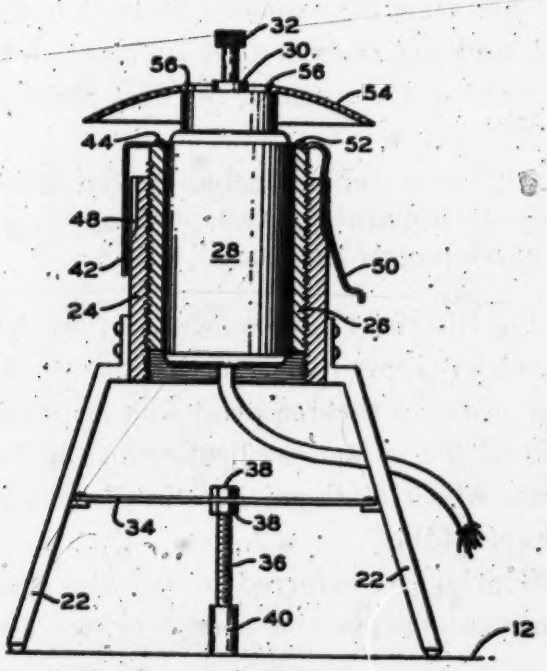

FIG. 2.

ILLUSTRATION 2—Figs. 1 and 2 of Petitioner's Patent, Ex. M

of Illustration 2 in two ways. Instead of using petitioner's threaded connection shown in Fig. 2 of Illustration 2, respondents move their cutter 22 up and down by the rack 52 and pinion 70 connection shown in Fig. 4 of Illustration 3. Secondly, respondents do not mount a mirror or reverse print of the topographical map 28 on their table. Instead, they mount a normal print face down on the table and illuminate it from below by lights 30 underneath a transparent table top 26 (Ex 8). This light table permits the machine operator to see the normal map through the paper and thereby view it as a reverse print. The map must look like a reverse print to the operator of respondents' machine, just as it looks to petitioner's operator (Tr 654).

Claims 4 and 14 of petitioner's patent are reproduced at A31 and A32. Claim 4 relates to the machine as a whole and Claim 14 relates to the vertically adjustable router assembly apart from the remainder of the machine.

Respondents' machine responds literally to the language of Claim 4, and the District Court appreciated this when it said in Finding 9 concerning the only claim language in issue:

> "Literally, any table (including the lower table of defendants' apparatus, is adapted to support a reverse print of a topographical map." (R41)

However, the District Court concluded that this language must be given a narrower construction than its literal terms because the use of a reverse print was emphasized during prosecution of the patent application in the Patent Office as a feature which distinguishes the invention from the cited prior art (R41).

The cited prior art referred to was the Shaver patent (Ex 3B) in which the machine operator saw a normal image

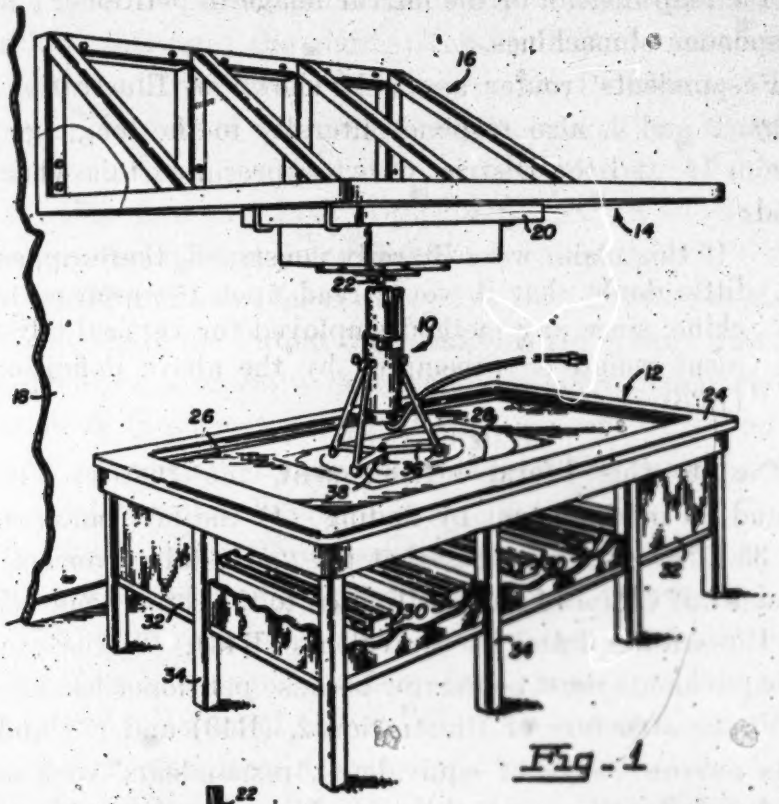

Fig. 1

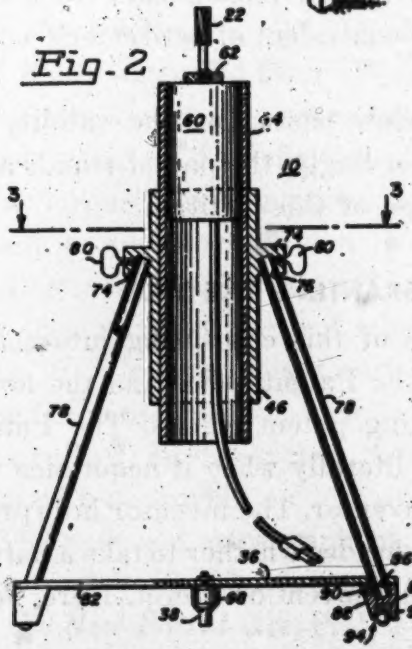

Fig. 2

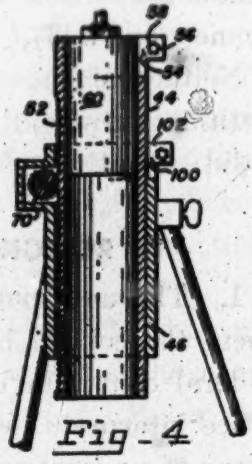

Fig. 4

ILLUSTRATION 3—Figs. 1, 2 and 4 of Respondents' Patent, Ex. 8

of the map instead of the mirror image in petitioner's and respondents' machines.

Respondents' router assembly shown in Illustration 3, Figs. 2 and 4, also responds literally to the language of Claim 14, and the District Court appreciated this when it said:

> "If this claim were literally construed, there appears little doubt that it would read upon the accused machine, since any method employed for vertical adjustment would be preempted by the above definition." (R36)

Despite this literal infringement, the District Court found no infringement by finding (1) the last paragraph of 35 USC §112 requires that the "adjustable connecting means" of Claim 14 must be limited to the screw connection of Illustration 2 and its equivalents (R43), (2) the range of equivalents must be narrow because petitioner has never built the structure of Illustration 2, (R43) and (3) under this narrow range of equivalents, respondents' rack and pinion connection is not the equivalent of petitioner's screw connection (R43).

Neither of the courts below passed on the validity of petitioner's patent, and accordingly, the patent stands as a valid patent for the purpose of this Petition.

REASONS FOR GRANTING THE WRIT

1. The undisputed facts of this case bring into sharp focus the conflict between the Patent Office and the lower federal courts in interpreting patent claims. The Patent Office interprets the claims literally when it negotiates the scope of a patent with the inventor. The inventor interprets the claims literally when he decides whether to take a patent with those claims or keep his invention secret. Here, both

the Patent Office and petitioner believed that respondents' machine infringed the claims; this is the only conclusion to be drawn from the proceedings on the Petition to Make Special. In conflict are the courts' determinations that the claims are narrower than their express meanings.

2. This is a rare case in that it presents a simple and clear conflict in claim interpretation between the courts and Patent Office. Patent cases rarely involve a Petition to Make Special where the Patent Office has ruled expressly that the machine of a prospective defendant infringes a patent claim. Rarely is this court presented with a simple question of claim interpretation unencumbered with the usual factual issues of patent validity.

3. The District Court employed a novel concept, citing no authority, when it held that the last paragraph of 35 USC §112 required a claim construction narrower than its express meaning. In announcing this concept the court raised the question of how far the 1952 Patent Act revised this Court's decisions in *Continental Paper Bag Co. v. Eastern Paper Bag Co.*, 210 U.S. 405 (1908), and *Halliburton Oil Well Cementing Co. v. Walker*, 329 U.S. 1 (1946).

In the *Paper Bag* case, this Court approved a literal construction of the definition of a feature in a patent claim as a "means" having structural aspects for accomplishing a result, as petitioner's claim 14 defines the "adjustable connecting means" as a "means" having structural connections for accomplishing vertical adjustment.

In *Halliburton*, this Court struck down the "means" plus function claim where no structural aspect of the means was recited. In doing this, the Court cited the *Paper Bag* case with approval.

The new last paragraph of § 112 apparently had some effect on the *Halliburton* case as indicated in *Commentary on the New Patent Act*, P. J. Federico, United States Code

Annotated, West Publishing Co. Title 35, Vol. 1, Page 1, where the author said at page 25,

> "The last paragraph of section 112 relating to so-called functional claims is new. It provides that an element of a claim for a combination . . . may be expressed as a means or step for performing a specified function, without the recital of structure, material or acts in support thereof. It is unquestionable that some measure of greater liberality in the use of functional expressions in combination claims is authorized than had been permitted by some court decisions, and that decisions such as that in Halliburton Oil Well Cementing Co. v. Walker, 67 S.Ct. 6, 329 U.S. 1, 91 L.Ed. 3 (1946) are modified or rendered obsolete, but the exact limits of the enlargement remain to be determined."

Since the new patent act was passed, this Court has not had the opportunity to determine what effects, if any, the new provision of §112 has on the Court's prior decisions. The new statute may permit claiming a means plus function "without the recital of structure . . . in support thereof", provided the claim is construed to be narrower than its terms, but the District Court's new theory goes beyond this and applies the narrowing construction to all "means" claims even the "means" claims which do recite structure as approved in the *Paper Bag* case.

4. Regardless of the effect of § 112 on this Court's decisions, and assuming that the new statute permits narrowing construction of all claims, the lower courts have departed in this case from this Court's interpretation of the "Doctrine of Equivalents". The classic statement of this Court on the "Doctrine of Equivalents" is the statement of Mr. Justice Jackson in *Graver Tank & Mfg. Co. v. Linde Air Products Co.*, 339 U.S. 605, 607-608 (1950):

> "In determining whether an accused device or composition infringes a valid patent, resort must be had in

the first instance to the words of the claim. If accused matter falls clearly within the claim, infringement is made out and that is the end of it.

But courts have also recognized that to permit imitation of a patented invention which does not copy every literal detail would be to convert the protection of the patent grant into a hollow and useless thing. Such a limitation would leave room for—indeed encourage—the unscrupulous copyist to make unimportant and insubstantial changes and substitutions in the patent which, though adding nothing, would be enough to take the copied matter outside the claim, and hence outside the reach of law. One who seeks to pirate an invention, like one who seeks to pirate a copyrighted book or play, may be expected to introduce minor variations to conceal and shelter the piracy. Outright and forthright duplication is a dull and very rare type of infringement. To prohibit no other would place the inventor at the mercy of verbalism and would be subordinating substance to form. It would deprive him of the benefit of his invention and would foster concealment rather than disclosure of inventions, which is one of the primary purposes of the patent system.

The doctrine of equivalents evolved in response to this experience. The essence of the doctrine is that one may not practice a fraud on a patent. Originating almost a century ago in the case of Winans v. Denmead, 15 How. 330, it has been consistently applied by this Court and the lower federal courts, and continues today ready and available for utilization when the proper circumstances for its application arise. 'To temper unsparing logic and prevent an infringer from stealing the benefit of an invention'[1] a patentee may invoke this doctrine to proceed against the producer of a device 'if it performs substantially the same function in substantially the same way to obtain the same result.' Sanitary Refrigerator Co. v. Winters, 280 U.S. 30, 42.

> The theory on which it is founded is that 'if two devices do the same work in substantially the same way, and accomplish substantially the same result, they are the same, even though they differ in name, form, or shape.' Machine Co. v. Murphy, 97 U.S. 120, 125. The doctrine operates not only in favor of the patentee of a pioneer or primary invention, but also for the patentee of a secondary invention consisting of a combination of old ingredients which produce new and useful results, Imhaeuser v. Buerk, 101 U.S. 647, 655, although the area of equivalence may vary under the circumstances." 339 U.S. 607-608.

The Courts below found non-infringement of Claim 14 solely because the rack and pinion in respondents' machine was not the equivalent of the screw connection in petitioner's machine. Petitioner did not invent the screw, and respondents did not invent the rack and pinion. When respondent Neklason testified about the respondents "invented" the rack and pinion, he described his state of mind as follows:

> "Q. Did you feel that the rack and pinion adjustment was new because of the fact that it was a rack and pinion or because of the fact that it provided the vertical adjustment of the machine in the router assembly?"
>
> A. We felt it was new because it provided the vertical adjustment in the machine. The rack and pinion idea itself is an old idea." (Tr 626)

It is difficult to imagine two more classic equivalents than the screw and the rack and pinion regardless of how narrow the range of equivalents may be. Both devices are centuries old, so old that the identity of their inventors is lost in antiquity.

The screw and rack and pinion are recognized as equivalent lifting devices. See: *Encyclopedia Britannica*, William Benton, Publisher (1958), Vol. 12, p. 850, where the entry under the term "JACK" includes the following:

"There are many different applications of 'jack' to certain levers and other parts of textile machinery; the principal mechanical application of the word, however, is to a portable hand-worked appliance for raising weights from below. Jacks range in power from a few hundred weights to 500 tons; the simple type is a crowbar pivoted in an upright frame, giving a direct and rapid lift. To this simple pivoted lever have been added a *screw* turned by a tommy-bar, ratchet devices, *pinion and rack*, etc., for increasing power or rapidity of action; and special forms have been evolved for use with motor cars, tram-cars, cable-drums, locomotives, railway and tram rails, ships, etc." (Emphasis added)

See also: *Dear Rubber Mfg. Co. v. Killian*, 106 F.2d 316 (8th Cir., 1939), where the Court said:

"... a rack and pinion gear drive is a well-known substitute for a friction drive even in the most narrow range of equivalents." (106 F2d at 319)

5. Not only did the lower courts misapply the "doctrine of equivalents", but also they did so for a reason that finds no logic in the patent laws. The courts' sole reason for applying a narrow range of equivalents to Claim 14 was the fact that petitioner had not built the machine shown in Figs. 1 and 2 of its patent. Why should that fact make any difference to the scope of the claim? The purpose of the patent laws is to promote publication of inventions. Nowhere in the patent statute is there any requirement that the inventor build his invention. The *Paper Bag* case, supra, involved a patent on a machine which had never been built, and the Court did not construe the claims of that patent to be narrower than their literal meaning.

6. This Court should resolve the conflict in claim construction which exists between the courts and the Patent Office. The courts should always hold a patent claim invalid

if the claim should not have been granted by the Patent Office under the patent laws. The courts should not hold, however, that the Patent Office has not granted a claim which it purported to grant, but instead a claim which is broader or narrower than its meaning.

It has been axiomatic in our patent system for years that "the claim defines the invention". See: *Smith v. Snow*, 294 U.S. 1, 11 (1935) where the Court said:

> "We may take it that, as the statute requires, the specifications just detailed show a way of using the inventor's method, and that he conceived that particular way described was the best one. But he is not confined to that particular mode of use since the claims of the patent, not its specifications, measure the invention. Paper Bag Patent Case, 210 U.S. 405, 419; McCarty v. Lehigh Valley R. Co., 160 U.S. 110, 116; Winans v. Denmead, 15 How. 330, 343."

To hold otherwise is to invite a chaotic condition arising out of uncertainty in the industries where patents are important. If no one short of a court can reliably determine from the language of a patent claim what a business man can or cannot do then the patent system stifles rather than promotes the progress of the useful arts.

It is respectfully submitted that this Petition should be granted and the decisions of the courts below reversed. The case may then be remanded for the lower courts to determine under the patent laws whether or not the patent in suit should have been granted with claims which mean what they say.

Respectfully submitted,

JAS. M. NAYLOR
One of Petitioner's Attorneys

(Appendix Follows)